

# MARION COUNTY, INDIANA

## 2010 TAX SALE

### INFORMATION AND PROCEDURES

#### PLEASE REVIEW THE ENTIRE CONTENTS OF THIS GUIDE!

**NOTE:** The Tax Sale item list will be available on the Treasurer's web page August 25<sup>th</sup>.  
More information about this feature can be found on page 3 of this guide.

The following information and procedures **apply to Marion County only**. The statute governing tax sales in Indiana (*I.C. 6-1.1-24 & 25*) affords the County Auditor and County Treasurer options regarding the manner in which the Tax Sale may be conducted. Therefore, the exact procedures by which a county conducts a tax sale for properties with delinquent taxes and special assessments may differ from county to county.

This public auction or "Tax Sale" of real property is required by Indiana law. While some unfortunate circumstances may exist which result in some properties being offered for sale, it is nonetheless required

*that all properties with delinquent taxes, penalties, and special assessment liens for unpaid sewer user charges, delinquent weed cutting fees, delinquent solid waste service fees, delinquent storm water fees, delinquent health and hospital liens, and DMD liens as specified by law, be auctioned at the Treasurer's Tax Sale.*

The Tax Sale enables the Treasurer to collect the revenue that has been levied for the operation of 42 governmental units and school districts within Marion County. The staffs of the Marion County Treasurer and Marion County Auditor appreciate the attention of prospective bidders and buyers to the procedures governing this Tax Sale. Thank you for your participation. Your comments are welcome.



MICHAEL W. RODMAN  
MARION COUNTY TREASURER



## General Points of Interest

The sale is to begin as a public auction at 9:00 a.m. Eastern Daylight Time, Thursday, October 7, 2010. (*Tax Sale instructions will begin at 8:30 a.m. in the Public Assembly Room and will continue until the sale begins at 9:00 a.m.*) All times are Eastern Daylight.

On Thursday, October 7, 2010, the sale will run from 9:00 a.m. to noon, followed by a one-hour lunch break; then it will continue from 1:00-4:00 p.m.

In the event we are unable to offer all available properties for sale on Thursday, October 7, 2010, the sale will resume at 8:30 a.m. on Friday, October 8, 2010. If we have not completed the sale by Friday, October 8, 2010 the sale will resume at 9:00 a.m. on Saturday October 9, 2010 until all parcels are offered for sale.

On Thursday, October 7, 2010, Friday, October 8, 2010, and if necessary Saturday October 9, 2010 the sale will be held in the Public Assembly Room (Room 230), 2nd floor of the City-County Building – 200 E. Washington Street, Indianapolis, IN 46204.

If a parcel is not sold on October 7<sup>th</sup>, 8<sup>th</sup>, or 9<sup>th</sup>, it will not be offered for sale again.

The “parcel number” identifies a property. There may be an owner and/or address advertised and/or read at the sale, but the parcel number identifies the exact property offered for sale.

Parcels will be offered for sale in Item Number sequence, as identified in newspaper ads. C Items will be offered first, followed by “A” items (item numbers starting with A).

At the sale, parcels beginning with “C” will be offered in groups of 25 items at a time, such as items C1 through C25. Any bidder may call out an item number within that range. **A call for a specific item number such as C17 is considered a minimum bid for that item.** Once the minimum bid is made, that item is auctioned to the highest bidder. If the item called for is no longer in the sale, that fact will be announced, and a call for another item within that group of 25 will be accepted. This procedure will continue until there are no more calls for item numbers within the group being considered. At that time, the next group of 25 item numbers will be offered. After all “C” items have been offered once, this procedure will be repeated for items beginning with “A”.

After all “A” and “C” items have been offered once, the Treasurer will open up the auction for only “A” items that are still available items. A call for a specific item is considered a minimum bid for that item. Once the minimum bid is made, that item is auctioned to the highest bidder.

Item numbers beginning with “A” were not in last year's sale. “C” items have been identified by the Metropolitan Development Commission for redevelopment. “C” items that are sold have a maximum redemption period of 120 days rather than the one-year redemption that applies to “A” items.

A complete list of Tax Sale items available for sale will be available in three sources:

1. **Newspaper:** Properties available for sale will be advertised in *The Indianapolis Star* and the *Court & Commercial Record* on the following Wednesdays:  
August 25, 2010  
September 1, 2010  
September 8, 2010
2. **CD:** The CD will be available in Microsoft Excel and can be purchased from the Treasurer's office on August 25th at the cost of \$20.00 per CD. The parcels that appear on the CD will be the same as

those that appear in the first newspaper advertisement (*August 25, 2010*). Updated tax sale lists will not be available on CD.

3. **Web page:** Beginning on Wednesday, August 25, 2010, the Marion County Treasurer's Web page will have the most current list of properties available for sale. The list will be updated daily and will be in the same format as the newspaper listing and the CD. The list can be downloaded. The Web address for viewing and/or downloading the list is [www.indy.gov/egov/county/treasurer/sale](http://www.indy.gov/egov/county/treasurer/sale).

An updated list of Tax Sale items still eligible for sale will be available from the Treasurer each day, beginning Wednesday, August 25<sup>th</sup>, and each day thereafter until the Tax Sale ends on October 9, 2010. The list will include items available as of 8:00 a.m. on the morning it is printed. There will be a \$5.00 charge per list to cover the cost of printing. Only the Tax Sale Item Number will appear on the list, so it will be necessary to have one of the original listings to be able to obtain other information about those unsold parcels.

On or before Friday, August 20, 2010, the Marion County Auditor will send a letter by Certified Mail to owners of all properties which at that time are eligible for the 2010 Marion County Tax Sale.

Any payment made to the Marion County Treasurer by an owner to withdraw a parcel from the sale or by a successful bidder at the sale must be paid by **cash**, by **Money Order**, by any **Certified Check**, by any **Cashier's Check** or by **Official Check** that is issued by a financial institution. **PERSONAL CHECKS, OR BUSINESS CHECKS WILL NOT BE ACCEPTED.** (*The Treasurer will not accept more than \$7,500.00 in cash from any one bidder, for the period of May 11, 2010 through the duration of the sale.*)

The Tax Sale buyer's interest in the property is limited to a lien on the purchased property until: 1) the property is redeemed; 2) a Tax Deed is issued; or 3) six (6) months has elapsed after the expiration of the redemption period, whichever occurs first.

There is a one-year period following the sale of each "A" item (120 days for "C" items) during which the delinquent owner, occupant, or person with a substantial property interest of public record may "redeem the property", a term meaning to retain possession by paying all monies owed to the county plus required fees.

Redemption of property purchased in a Tax Sale results in the parcel remaining in the current owner's name.

If a parcel sold in the "A" sale is not redeemed prior to one year from the date of sale (120 days for "C" items), the Tax Sale buyer may present the Tax Certificate to the County Auditor and receive a Tax Deed to the property granting title to the property to the buyer or assignee of the buyer.

A person who wants to redeem a property should contact the Marion County Auditor, Room 841 of the City-County Building, to have an exact calculation of the redemption cost made. That amount must be paid to the County Auditor within one year of the date of sale of an "A" item (120 days for "C" items). The redemption amount will be equal to the minimum bid required by the Treasurer, plus a redemption fee calculated on the minimum bid paid by the successful bidder (percentages listed below), plus 10% per annum interest calculated on the difference between the minimum bid and the amount paid by the successful bidder (*referred to as Tax Sale Overbid*), plus any taxes, penalties and special assessments paid by the buyer subsequent to the date of sale, plus 10% per annum interest on those subsequent payments. (NOTE: The redeeming party does not have to repay the overbid amount, but they are required to pay the 10% per annum interest on the overbid amount.) The redemption fee will be calculated in two parts (three parts if taxes are paid subsequent to the Tax Sale):

1. On the Minimum bid –
  - 110% of the minimum bid if redeemed not more than 6 months after the date of sale;
  - 115% of the minimum bid if redeemed more than 6 months but not more than one year after the date of sale.
2. On the difference between the successful bid price and the minimum bid (*referred to as Tax Sale Overbid*) –
  - 10% per annum interest from the date of payment to the date of redemption
3. On any taxes and special assessments paid by the Tax Sale buyer subsequent to the sale –
  - 10% per annum interest from the date of payment to the date of redemption

If, before redemption or the execution of a Tax Deed, it is found that the *sale* is invalid, the Tax Sale buyer is not entitled to a Tax Deed, but shall be entitled to a refund of the purchase price plus 6% per annum interest.

If, after the execution of a Tax Deed, it is found that the *deed* is invalid pursuant to *I.C. 6-1.1-25-12*, the Tax Sale buyer is entitled to a lien on the property in the amount of the purchase price, any taxes or special assessments paid subsequent to sale, and any amount due the Tax Sale buyer as an occupying claimant plus interest at 10% per annum.

### **Points of Interest (*primarily*) for Current OWNERS of Property Being Offered in This Year's Sale**

The following schedule applies to payments made to the Treasurer by property owners wanting to prevent their parcels from being sold in this year's Tax Sale. The owner must make payment by **cash**, by **Money Order**, by **Certified Check**, by **Cashier's Check**, or by **Official Check** that is issued by a financial institution. **NO PERSONAL CHECKS, OR BUSINESS CHECKS WILL BE ACCEPTED.**

*May 11, 2010 through October 5, 2010* – Owners must pay all delinquent taxes, penalties, and delinquent special assessments due on their parcel(s) plus \$240.00 Tax Sale Administrative Cost;

*October 6, 2010* – **No payments will be accepted on Tax Sale items** so that the Treasurer can make necessary preparation for the conduct of the sale to begin on October 7, 2010;

*October 7, 2010, and after* – Owners must pay all delinquent taxes, penalties, delinquent special assessments, plus 2010 Fall taxes and special assessment fees (if applicable), plus the Tax Sale Costs of \$240.00. If the parcel is sold before the owner makes the full payment, the owner will have to wait to redeem the parcel through the Marion County Auditor's office until approximately one week after the parcel has been sold.

Payments made by owners on the dates of public auction (October 7<sup>th</sup>, 8<sup>th</sup>, and 9<sup>th</sup>) must be in full – no part payments – and will be collected by the Treasurer after 8:00 a.m. on the 10<sup>th</sup> floor room 1001 of the City-County Building.

October 5<sup>th</sup> and prior, owners may make part payments toward the minimum sale price. There is no minimum amount of part payment required. After payment of Tax Sale Advertising Fee and Tax Sale Costs of \$240.00 (which is included in the Administrative Costs), any part payments made will reduce the minimum bid amount and will save total redemption costs to the owner if the property is sold.

If a "C" item is not sold at the Tax Sale and the owner does not pay all charges due on the parcel, the Metropolitan Development Commission may request a Tax Deed from the County Auditor 120 days after the sale ends. If an "A" item is not sold at the Tax Sale and the owner does not pay all charges due on the parcel, the County may request a Tax Deed 120 days after the sale ends.

### Points of Interest (*primarily*) for BUYERS of Property in This Year's Sale

Every Tax Sale buyer will be required to have a bidder number in order to bid on a parcel in the public auction.

Successful bidders are **not** allowed time to “go to the bank” to secure funds to pay for their purchase(s).

Bid-account bidders will be assigned a yellow bidder paddle with a bidder number in the range of 100--599. To obtain a bidder number the bidder must pre-register and complete the registration form with a minimum deposit of \$1,000.00. The form requests name and address (as they are to appear on the Tax Sale Certificate & W-9), phone number, and Social Security Number (or Federal I.D. number), must attest to information pursuant to IC6-1.1-24-5.3. They must establish their account with qualified funds that may be deposited with the Treasurer in Room 1022 of the City-County Building through October 6<sup>th</sup> or in the Public Assembly Room on the day of the Tax Sale. Payment must be made by **cash**, by **Money Order**, by **Certified Check**, by **Cashier's Check** or by **Official Check** that is issued by a financial institution. Qualified checks must be for the exact amount of purchase and made payable to the **Marion County Treasurer**. **, PERSONAL CHECKS, OR BUSINESS CHECKS WILL NOT BE ACCEPTED.** (*The Treasurer will not accept more than \$7,500.00 in cash from any one bidder, for the period of May 11, 2010 through the duration of the sale.*)

Tax Sale purchases will be charged to the bidder's account by presenting the bidder number at the conclusion of each successful bid. If a deposit bidder's balance with the Treasurer becomes too low to make subsequent purchases, the bidder will be required to deposit additional acceptable funds before making additional purchases.

Beginning on Wednesday, August 25<sup>th</sup>, the Marion County Treasurer's Web page will have the most current list of properties available for sale. The list will be updated daily and will be in the same format as the newspaper listing and the CD. The list can be downloaded. The Web address for viewing and/or downloading the list is [www.indy.gov/egov/county/treasurer/sale](http://www.indy.gov/egov/county/treasurer/sale).

The minimum bid that will be accepted on any property must be equal to all taxes, penalties, and special assessments presently due on the parcel – including 2010 Fall taxes and special assessment fees (if any) – plus Administrative Cost.

By written agreement with the Marion County Treasurer, the Marion County Auditor will perform the duties of notification and title search under I.C. 6-1.1-25-4.5, and notification and petition to the court for a tax deed under I.C. 6-1.1-25-4.6. Certain parcels owned by the same person may be sold, and must be redeemed, together with one or more other parcels.

The \$400.00 Administrative Cost includes an \$240.00 Advertising Fee and Actual Costs and a \$160.00 Title Search Fee that is charged with each sale and is to enable the Marion County Auditor to secure such a service so that all interested parties of public record may be informed by the Auditor of the impending issuance of a Tax Deed to a different owner. The search remains the property of the County Auditor.

After a minimum bid has been received for a particular item number the bidding will proceed in increments deemed appropriate by the auctioneer based on the number of bidders.

**No one should bid in this Tax Sale who does not have the correct type of payment at the time of becoming a successful bidder. A high bidder who fails to immediately pay the bid price in acceptable funds must pay a penalty of 25% of the amount of the bid (subject to prosecution - IC. 6-1.1-24-8).**

**All sales are final!** There will be no refunds or exchanges. Prospective buyers are urged to research available properties thoroughly to aid in identifying the exact piece of property identified by the parcel number. Research may include, but not necessarily be limited to, a review of:

- liens recorded with the Marion County Recorder;
- plat maps in the County Assessor's office;
- orders of the Department of Metropolitan Development concerning demolition orders and unsafe buildings;
- sewer user charges, solid waste service fees, and/or weed cutting charges that have not been certified to the Treasurer by the Department of Public Works; and
- Health & Hospital charges that have not been certified to the Treasurer.

The IRS may claim redemption rights in properties sold which are subject to Federal tax liens pursuant to a right of redemption established under 26 U.S.C. §7425 which is different than that provided under Indiana Statute.

**If a successful bidder buys a “pig in a poke”, the buyer will get just that.**

All bidders – the Treasurer will refund any excess of deposits over purchases when the bidder advises the Treasurer that no more purchases are planned. Such refund will be made by County check within 10 days from the close of the auction.

Tax Sale buyers run a risk of trespassing if they make a purchase and attempt to enter the premises or exercise any ownership rights during the redemption period which is prior to the time a Tax Deed is issued in the buyer's name.

At the conclusion of each parcel sale, the Treasurer will issue a receipt for the amount paid. (Receipts for bidders will be held by the Treasurer until the bidder closes out his/her account with the Treasurer.)

After 4-6 weeks from the date of sale, the buyer may present the Tax Sale receipt to the Marion County Auditor, Room 841 of the City-County Building, in order to receive a Tax Certificate evidencing the buyer's lien against the property.

While the minimum time to exchange a Tax Certificate for a Tax Deed to an unredeemed property is one year for “A” items (120 days for “C” items), the maximum time for such action is six (6) months after the expiration of the redemption period.

**The Tax Sale buyer's lien expires six (6) months after the expiration of the redemption period.**

A Tax Sale buyer may pay any taxes, penalties, and/or special assessments which become due on the parcel subsequent to the Tax Sale but before the redemption period expires. Such payments can be made by requesting a bill in person from the Marion County Treasurer. **It is the Tax Sale Buyer's responsibility to record any such payment in the Auditor's office if the buyer expects to be reimbursed when the property is redeemed.**

If redemption is accomplished, the buyer will be reimbursed for recorded payments of subsequent taxes, penalties, and/or special assessments plus interest at the rate of 10% per annum.

If the parcel is *not* redeemed and the Tax Sale buyer surrenders the Tax Certificate to receive a Tax Deed, all delinquent taxes, penalties, and/or special assessments which became due subsequent to the Tax Sale must be paid before the Auditor will petition the court to issue a Tax Deed to the Tax Sale buyer.

All buyers who are to receive payments as a result of redemption of property they have purchased will be required to complete Form W-9 to give the County Auditor sufficient information to be able to issue and report on Form 1099-INT the amount of interest and redemption fee received.